1998

DEPARTMENT OF DEFENSE
DoD Inspector General
Report on Information Technology (IT) Resources
FY 1999 Amended Budget Estimate

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Executive Summary

General Description of OIG Information Technology Activities:
The budget submission supports the agency requirements in telecommunications and automated information technology. The automated information technology costs involve hardware, software, maintenance, training, inter-agency service, and information system support personnel for agency standalone, network, and mainframe processing requirements. Standalone equipment such as portable computer notebooks are used by auditors, evaluators, and investigators in the field to facilitate data recording and report writing and need to be replaced on a scheduled basis. The headquarters local area network facilitates communication and datasharing within the agency. Mainframe processing time obtained through inter-agency support is used for management support systems such as the agency procurement system, inventory system, and audit project information system.

The OIG annually reviews and updates its Five Year Automated Information Resources Management Plan. This plan provides the framework for the review process to ensure that the information management plan supports the agency's strategic mission planning. The planning process is critical as agency initiatives must be integrated with business process reengineering initiatives in the Department, such as travel reengineering and financial management systems. Our approach to achieving the required support balance calls for a mix of in-house and contracted resources. This balancing of resources will ensure the agency accomplishes its information technology goals while meeting downsizing targets.

The OIG Information Technology Program supports the OIG efforts to evaluate DoD programs and to detect and prevent fraud, waste and abuse. Information technology support is critical in improving OIG work force productivity in evaluating DoD systems; for example, in sampling and testing systems, datasharing and generating reports. The efforts of the OIG are directed at ensuring that commanders and Defense Activity and Service managers are using resources allocated to them to maintain sufficient readiness, training, equipment and sustainability of the DoD and service components of the Armed Forces. The OIG plays an important role in providing support to DoD management to achieve the strategic goal of reducing costs and eliminating unnecessary expenditures across DoD mission areas.

Major initiatives:
The budget submission does not include any major information systems initiatives in FY 1999. The budget will support maintenance of current capabilities and replacement of aging or broken equipment. In FY 1997 the OIG converted most of the agency from the Microsoft DOS operating environment to a graphical operating environment. Conversion will be completed in FY 1998. New hardware and operating and application software were installed. In FY 1997, the OIG funded the project to develop the Defense Audit Management Information System, the migration system that will result from the Defense-wide audit community's efforts in business process reengineering and functional improvement. In FY 1998, the OIG will implement improvements in field communication capability by installing frame relay technology. Currently the field offices have limited access to the headquarters local area network through modem connections. Remote access improvements will upgrade field to headquarters and field-to-field connectivity. The agency also will install 32 bit computer operating systems and upgrade office automation software in FY 1998.

The OIG has completed the Year 2000 assessment of agency information systems and determined that compliance activities will be achieved in all but one system through planned upgrades or replacement. In FY 1998, funds have been reprogrammed to cover the $40 thousand purchase cost for software to identify needed corrections in the audit management information system because of delays in the transition to the migratory system. A software tool also is being purchased in FY 1998 to ensure that retained or newly purchased hardware are Year 2000 compliant.

Significant Cost Changes:

The FY 1997 budget total ($11.7 million) is higher than the total identified in the FY 1998 President's Budget submit ($9.4 million). The increase was primarily due to funding the development of the Defense Audit Management Information System ($1.65 million). Other adjustments include software training related to the Windows conversion ($335 thousand), upgraded computer purchases for criminal investigative and facilities requirements ($100 thousand), and commercial off-the-shelf software purchases to upgrade the financial management tracking system, automated purchase requisition and the travel authorization processing ($200 thousand). The FY 1998 budget total ($9.9 million) is lower than the FY 1998 President's budget submit total ($10.3). The reduction is due to reduced cost projections for remote communications hardware improvements, reductions in replacement equipment purchases, and adjusted communication cost projections based on FY 1997 charges. However reductions were offset by costs related to new operating and application and Year 2000 software and investigative radios. The increase in support services ($575 thousand) and reduction in personnel costs ($-229 thousand) marks the shift in contracting out support. Because of intensive efforts in communications and operating system changes and downsizing constraints, the agency will increase contracted support. The FY 1999 budget total ($9.0 million) is a reduction from the President's submit total ($9.3 million) related to reductions in replacement equipment and adjusted communications cost projections. In-house workyear resources will decrease and contracted support will be used to continue required information management support.

The decrease between FY 1997 to FY 1998 (-$1.8 million) is due to the completion of development cost of the Audit system in 1997 ($1.65 million) and the reduction in training costs ($150 thousand). The reduction in proposed remote access communications and replacement equipment costs was offset by the requirements for new software and upgrades to investigative radios. The decrease in funding between FY 1998 to FY 1999 (-$900 thousand) reflects the return to recurring maintenance and replacement levels.

Year 2000

Year 2000 compliance activities are covered generally through planned upgrades and replacements and existing plans for agency systems to transition from mainframe processing to minicomputer environment. The agency has reprogrammed $90 thousand for software purchases to assess Year 2000 vulnerability. The delay in transitioning to a new system makes it critical to purchase the $40 thousand software package to identify needed corrections in an existing management information system. In addition, a software tool will be used to ensure the Year 2000 compliance of hardware purchases or retained hardware.

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	FY 1997	FY 1998	FY 1999
1. Equipment			
A. Capital Purchases	1,887	1,700	1,300
B. Purchases/Leases	1,257	810	1,010
Subtotal	3,144	2,510	2,310
2. Software			
A. Capital Purchases	111	200	0
B. Purchases/Leases	381	665	125
Subtotal	492	865	125
3. Services			
A. Communications	603	615	625
B. Processing	0	0	0
C. Other	0	0	0
Subtotal	603	615	625
4. Support Services			
A. Software	364	350	360
B. Equipment Maintenance	226	255	259
C. Other	463	750	775
Subtotal	1,053	1,355	1,394
5. Supplies	35	36	37
6. Personnel (Compensation/Benefits)			
A. Software	0	0	0
B. Equipment Maintenance	0	0	0
C. Processing	0	0	0
D. Communications	191	198	205
E. Other	2,736	2,442	2,459
Subtotal	2,927	2,640	2,664
7. Other (Non-FIP Resources)			
A. Capital Purchases	0	0	0
B. Other Current	66	125	60
Subtotal	66	125	60
8. Intra-Governmental Payments			
A. Software	0	0	0
B. Equipment Maintenance	0	0	0
C. Processing	185	185	185
D. Communications	1,497	1,585	1,610
E. Other	1,679	0	0
Subtotal	3,361	1,770	1,795
9. Intra-Governmental Collections			
A. Software	0	0	0
B. Equipment Maintenance	0	0	0
C. Processing	0	0	0
D. Communications	0	0	0
E. Other	0	0	0
Subtotal	0	0	0
NET IT RESOURCES	11,681	9,916	9,010
Workyears	46	41	39
Non-DWCF	46	41	39
DWCF	0	0	0

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Appropriation/Fund	FY 1997	FY 1998	FY 1999
0107	11,681	9,916	9,010
Total By Appropriation:	11,681	9,916	9,010

NOTE 1: Military Personnel Cost in the DWCF is computed at the equivalent civilian rate as prescribed by the DWCF Guidance.

NOTE 2: FY 1997 and beyond reflect a $100K investment/expense threshold. Working capital funds comply with the investment/expense threshold established by Congress which is presently $100K.

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Information Technology Resources by Functional Area

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(Dollars in Thousands)

	FY 1997	FY 1998	FY 1999
Functional Area Applications Area (AIS)			
A. Other AIS			
1. Major Systems/Initiatives			
2. Non-Major Systems/Initiatives			
3. All Other Other AIS			
Development/Modernization	1,650	0	0
Subtotal	1,650	0	0
Appropriation/Fund			
Inspector Gen	1,650	0	0
4. Total Other AIS			
Development/Modernization	1,650	0	0
Subtotal	1,650	0	0
Appropriation/Fund			
Inspector Gen	1,650	0	0
Total - All AIS	1,650	0	0

	FY 1997	FY 1998	FY 1999
Communications and Computing Infrastructure			
B. Communications Infrastructure			
1. Major Systems/Initiatives			
2. Non-Major Systems/Initiatives			
3. All Other Communications Infrastructure			
Development/Modernization	155	810	200
Current Services	2,383	2,398	2,440
Subtotal	2,538	3,208	2,640
Appropriation/Fund			
Inspector Gen	2,538	3,208	2,640
4. Total Communications Infrastructure			
Development/Modernization	155	810	200
Current Services	2,383	2,398	2,440
Subtotal	2,538	3,208	2,640
Appropriation/Fund			
Inspector Gen	2,538	3,208	2,640
C. Office Automation			
1. Major Systems/Initiatives			
2. Non-Major Systems/Initiatives			
3. All Other Office Automation			
Development/Modernization	3,820	2,715	1,400
Current Services	3,577	3,902	4,877
Subtotal	7,397	6,617	6,277
Appropriation/Fund			
Inspector Gen	7,397	6,617	6,277
4. Total Office Automation			
Development/Modernization	3,820	2,715	1,400
Current Services	3,577	3,902	4,877
Subtotal	7,397	6,617	6,277
Appropriation/Fund			
Inspector Gen	7,397	6,617	6,277
Total - All C&CI	9,935	9,825	8,917

	FY 1997	FY 1998	FY 1999
Related Technical Activities (RTAs)			
D. Other RTA			
1. Major Systems/Initiatives			
2. Non-Major Systems/Initiatives			
3. All Other Other RTA			
Current Services	96	91	93
Subtotal	96	91	93
Appropriation/Fund			
Inspector Gen	96	91	93
4. Total Other RTA			
Current Services	96	91	93
Subtotal	96	91	93
Appropriation/Fund			
Inspector Gen	96	91	93
Total - All RTAs	96	91	93

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	FY 1997	FY 1998	FY 1999
** Over All Total **			
Functional Area Grand Total			
Development/Modernization	5,625	3,525	1,600
Inspector Gen	5,625	3,525	1,600
Current Services	6,056	6,391	7,410
Inspector Gen	6,056	6,391	7,410
Total	11,681	9,916	9,010
Inspector Gen	11,681	9,916	9,010
	========	========	========
Total - All IT Resources	11,681	9,916	9,010

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